





LIBRARY
OF THE
UNIVERSITY
OF ILLINOIS





SPEECH

OF

W. FARRER ECROYD M.P.,

ON THE MOTION FOR THE SECOND READING OF THE

CUSTOMS AND INLAND REVENUE BILL.

DELIVERED IN THE HOUSE OF COMMONS,
THURSDAY, APRIL 26TH, 1883.

LONDON:
P. S. KING & SON, PARLIAMENTARY AGENCY,
KING STREET, WESTMINSTER, S.W.
1883.

PRICE TWOPENCE.

In correcting this Speech for publication, a few passages which, owing to the lateness of the hour, had been slightly cut short in delivery, have been given in full.

And three Tables of explanatory figures, which, for the same reason, could not be given in detail, are added at the close.

S P E E C H.

HOUSE OF COMMONS, APRIL 26, 1883

MR. ECROYD said: I rise to occupy the time of the House with very considerable regret, because I cannot but feel that it may impede the course of business which right hon. gentlemen opposite are anxious to expedite. I will, however, confine myself as much as possible to that which bears directly on the question before the House. Had I taken the opportunity of bringing forward the motion which stands in my name on a Tuesday or a Friday evening, I should have laid myself open to the charge of seeking to introduce a merely academical discussion. I have chosen this occasion because the duty on tea is dealt with in this Bill, and the most important question which I have to discuss is the wisdom and desirability of raising so large a revenue from tea as we do at the present time.

I shall not examine at any length the effect of foreign tariffs upon the trade of this country, although the experience of the past year has proved to our manufacturers that the pressure of such tariffs is not in any respect relieved, but, on the contrary, is tightening in many quarters, and that the outlook is gloomy in the extreme. I cannot apologise for occupying the time of the House with a matter so closely connected with the agriculture and industries of this country, because during the present session very little time has been given to questions of that character. It is true that the President of the Board of Trade has introduced a measure of great importance to commercial men, but it is somewhat ominous that the measure is a Bankruptcy Bill. (Hear,

hear.) Indeed if we regard the present position of the cultivators of the soil, and the condition of many of our important industries, we shall only be too ready to fear that a Bankruptcy Bill may be the measure most urgently required. (Cheers.) I shall, no doubt, be attacked upon the ground of political economy. My fears, however, chiefly relate to gentlemen on my own side the House, for I cannot meet with reprobation on that score from gentlemen opposite, since that important, but somewhat loosely defined, science has not long ago been solemnly banished by a high authority to two distant planets. (Laughter.) After all, political economy, as I have said, is a very loosely defined science, and its application must be always subject to the prevalence of exceptional circumstances. Political economy was made for man, not man for political economy. Many of the arguments which have been brought forward in opposition to facts adduced to prove the somewhat critical position and prospect of the industries of this country, will not bear a very close examination. I remember during the debate last year the hon. baronet the member for the University of London told us that if we exported very little to foreign countries like the United States, in return for our large imports, we might regard it as a very fortunate circumstance, and he asked if we wished to pay them more in exchange for what we bought from them. I should like to ask the hon. gentleman, whom I regret not to see here, if he really believes that we are paying our Australian colonies three times as high a price for what we import from them as we pay to the United States, because they take from us three times as much in relation to our imports. Such arguments as these cannot be defended for one moment.

Great stress is laid on the prosperity and continual extension of our shipping. But it would not be difficult to show that the increase in our shipping trade has, in some measure, arisen from the depression of the internal industries of the country. (Hear, hear.) For instance, if we have a

failing harvest and a decline in the number of our sheep and cattle, and bring a much larger proportion of our food from foreign countries, that necessarily gives employment to a good deal more shipping. (Hear, hear.) Again, if manufacturers are driven abroad through hostile influences, and if we receive supplies of goods and commodities from abroad which we ought to produce at home, that is an employment of shipping which is adverse to the interests of the country, and is a proof, not of prosperity, but of adversity.

What would be interesting, and really instructive to us, would be full and explicit information on such points as these:—What is the progress of incomes derived from the industries of this country, as compared with that of incomes derived from foreign property of various kinds? What is the annual income derived from foreign investments and foreign business, and does it bear a fair share of imperial and local taxation? What is the increase or decrease in the annual total of wages actually paid in our textile industries, for example, as compared with that of seven, eight, or ten years ago? (Hear, hear.) What is the amount of taxation of all kinds, borne by £1,000, invested in lands, buildings, or railways in this country, as compared with that borne by the like amount invested in foreign property of similar kinds? These are questions which very closely touch the interests of two great classes,—the labourers in British industries and the owners of rateable property;—and, in estimating the real progress made, we cannot but see the necessity of drawing a very distinct line between an increase in the annual value of land, buildings, and manufactories in this country, and in that of foreign investments owned by people resident here, who may at any moment take themselves and their wealth away from the country, and from all further responsibility for its well-being, its debt, or its taxation.

British manufacturers have been more and more driven back on our own possessions, not only by the adverse

changes in the tariffs of foreign countries, but also by the continually increasing effect of old tariffs, as they stimulate the manufactures of the nations which maintain them against us. The colonies and India are our most prosperous and growing markets. American, French, German, Spanish, and other like markets have been more and more closed against us. They have not in all cases shown a great falling off, but they have shown a falling off in comparison with the growth of population. These markets, after all, are extremely uncertain, and our prospect is by no means hopeful in such countries as Italy, Turkey, Japan, and what we once considered free-trading Switzerland. We see a convention concluded, at this very moment, between the United States and Mexico, to the detriment of British industries. (Hear, hear.) When we thus look around and see one opening after another closed to British manufacturers, and that, in the case of some new and promising markets, political movements are prejudicing our legitimate interests, as in Central Asia, Madagascar, and the Congo region, it would be very strange if our minds were not filled with alarm and anxiety in regard to the future.

Again, commercial treaties have not proved the harbingers of free trade. The duties now levied on our manufactures by France can only be regarded as designed gradually to stifle three-quarters of our export trade to that country. Commercial treaties may be a needful part of our present system, but I maintain that that system is a vicious one, and has become, by force of circumstances, injurious to the interests of the people of this country. (Hear, hear.) The negotiations which have to be continually repeated in connection with those treaties are most injurious to the interests of trade and commerce; they introduce a perpetual element of uncertainty which stands in the way of a steady prosecution of business. A firm and defined policy of our own would be infinitely better than this Micawber-like waiting on the caprices of other nations. The present

system is most unjust to the labouring and producing classes as compared with the class of mere consumers, for the first have the competition of the world against them, whilst the second have it in their favour. (Hear, hear.) The heavy load of taxation which falls on land and buildings—our instruments of production—acts as a complete protection to the foreigners who bring their products into our market. We have been by no means delivered from protection, but have retained a system of protection for foreigners as against ourselves. The full effect of all this must come on the labouring classes: profits fall off first, then rents; and wages, by an inevitable law, must follow suit. The present system, again, is most unjust to the owners of property anchored to the soil of England as compared with the owners of moveable and foreign property. We therefore see, as the result, a constantly increasing tendency to investment in foreign arable land and industrial undertakings, the productions of which compete with us in our own markets, whilst our agriculture and other home industries languish. (Hear, hear.)

I have said that our great and expanding markets are those of our own dependencies and colonies. We have compelled India, probably against the will of her people, to receive our products duty free. But how have we discharged our correlative obligation to her? Have we adequately developed her resources and means of transport? Have we taken off the duties, the abolition of which would aid the development of her agriculture and give prosperity to her thrifty population? No, for at this moment we impose the very highest duty on an article which is one of the most promising and growing products of Indian industry. I speak of tea. (Hear, hear.) I hold we are committing a gross injustice against India in the present distribution of those import duties, which, to a large extent, form the subject of the Bill which is here for second reading to-night. We do not develop the resources of India as we ought.

There are, perhaps, 10,000 miles of railway in actual operation in India. What length of railway lines has been made by the people of the United States during the last four or five years? They have constructed almost as much in one single year as exists throughout the whole of the Indian peninsula. What is the reason of that vast progress on the part of the United States, and the comparatively slow rate of progress in India? Why does not English capital find its way on a much larger scale to India? Sir, it is even true that India's best harvests are her misfortune. (Hear, hear.) That is quite an unnatural state of things. I am told that, owing to the want of roads and railways, the price of wheat—the only article the poor natives in certain districts have to sell—falls, in productive seasons, to 6s. or 8s. a-quarter, and they are thus deprived of the means with which to purchase clothing. But why is it that all this corn is lying unsaleable in India at a time when we are making such enormous purchases from the United States, who, instead of taking our manufactures in exchange, duty free, like India,—excludes them by an outrageous tariff? The reason is simply this: that the Americans have adopted the plan of giving an initial impetus to the development of their resources from which we have precluded ourselves by a pedantic adherence to free trade (hear, hear); or, rather, to what we have chosen to call free trade. (Hear, hear.) We have not gained our point; we have adhered to the name without the substance, and that has caused us to hold back the development of our great empire in India. This active opening-out of the resources of the United States has not come about from the play of natural forces, but through their adoption of a plan of stimulating the development of their country, which we have altogether foregone in regard to India and our other vast and rich possessions. The rapid growth of the agriculture of the United States, and her means of internal communication, and the comparatively stagnant condition of the agricultural

system of India, and the deficiency of the means of internal communication in that country, bear witness to the fact that we have carried out an unsuccessful policy whilst the Americans have adopted a successful one. (Cheers.)

I have no doubt whatever that the imposition of a small duty upon foreign wheat, say of 3s. or 4s. a-quarter, whilst the wheat of India and other British possessions was allowed to come in free, would give a great impetus to the construction of railroads in India, and I say so with the more confidence, because I am supported in the statement by a high authority whose opinions, as a rule, are altogether hostile to my principles. A few weeks ago I read with much interest in the *Economist*, an article referring to the Indian wheat trade, in which it was stated that the cost of transport from the interior provinces of India to the seaboard, per quarter per mile, was so much higher than in the United States that it constituted the great obstacle to the growth of wheat on a large scale for export. The remedy recommended by the writer of that article was the reduction of freights on the Indian railways. But we must bear in mind that the conditions of the two countries are not at all similar. In the United States you have great centres like Chicago, connected by two or more lines of railway with the port of shipping, and you have a very large traffic over long distances between two definite points. Of course such a traffic can be conducted at a much cheaper rate than that of a network of railways which gathers up all the varied products of the inland districts of India. (Hear, hear.) You, therefore, cannot attain this end wholly by a reduction of the rates of freight on Indian railways. If you mean to attract greatly increased contributions of English capital towards the construction of railways in India, you must not bring down the rates to such a point as would make those undertakings much less remunerative. But what might not be gained by this country and by India by affording the stimulus of a small differential duty to the

growth of corn there? In the first place the Indian cultivator would be assured of a steady and increasing market in England, with which he is already connected by the closest commercial ties—(hear, hear)—and, in the next place, the flow of capital into India for the next ten or twenty years for the construction of railways and other public works, would relieve, to a large extent, the Indian exchange. (Cheers.) You would also have a new means of remittance to this country in the shape of a large export of wheat, which at present either rots in the possession of its owners, or is not grown because of the want of adequate means of transport and of a sure and steady market. (Hear, hear.) If you wish to hasten the development of the resources of India and to place that country in her proper position as an integral portion of this great Empire—just as completely one with us commercially as the great Western States of America are one with the Eastern States,—if you wish to give an impulse to her demand for your manufactures,—you must impose some small disadvantage on American wheat as compared with that grown in India. (Hear, hear.) That step, if it were the only one taken, would no doubt impose a burden on our consumers, but I hope to show the House that, taken in conjunction with the rest of the policy which I have to propose, it would bring no increased expense whatever upon the labouring population.

Now, I believe we have also gone upon a wrong system ever since we abolished the last remains of the differential duties upon sugar, which favoured the products of our own dominions as compared with those of foreign countries. (Hear, hear.) Our preceding movements in the direction of free trade were eminently sound, and conducive to the advantage of this country, but I am convinced we made a fatal mistake when we took away the last and almost insignificant remains of those differential duties. (Hear, hear.) But if we have gone on a wrong track it is never

too late to change ; and if it can be shown that the change would not disturb our finances, or impose any injurious burden upon the consumers of food, whilst it would have the effect of opening out a much larger consumption of the products of India in this country, and of those of this country in India, then I think I shall have made out a very fair case for the serious consideration of this House. (Hear, hear.)

Those who share my opinions have often been accused of never bringing forward any definite proposals. That charge, however, shall not lie against me on this occasion. I will not deal with generalities ; I will endeavour to give a clear and definite statement of the system I advocate. (Hear, hear.) I do not pretend to an exact knowledge of such technical points as the difference in duties upon raw and refined sugar required to neutralize the effect of foreign bounties, or of those upon wheat and flour which would do full justice to our millers, nor is it necessary that I should enter into minute details of that kind. The revenue which we at present derive from the duties levied upon what may be called breakfast-table articles amounts to about £4,850,000. The broad principle which I go upon is this, that you are to levy an equivalent total taxation upon the articles consumed at the breakfast table, but you are to alter the distribution of the duties. At the present moment those duties are arranged greatly to the disadvantage of the productions of our own Empire as compared with those of foreign countries. Excluding wines, spirits, and tobacco, and separating our imports of food into taxed and untaxed, I find that of the *taxed food* about 40 per cent. comes from British possessions, and 60 per cent. from foreign countries ; whilst of *untaxed food* only 16 per cent. comes from British possessions, and 84 per cent. from foreign countries. It is no increase of taxation that I have to propose ; what we want is simply a re-arrangement of the incidence of this £4,850,000 which is imposed upon articles consumed at the

breakfast table. If we were entirely to abolish the duties upon tea, coffee, cocoa, and dried fruits now received from all parts of our own Empire, and to retain a very small impost upon the same articles received from foreign countries, a duty of one penny per lb. upon tea, for instance; a duty of three farthings per lb. upon coffee, cocoa, and chicory, and of three halfpence per lb. upon manufactured chocolate and chicory, and of 2s. 4d. per cwt. upon dried fruits; and if we were to impose a duty of 10d. per cwt. upon foreign wheat, and 1s. 3d. per cwt. on foreign flour;—of 1s. 8d. per cwt. upon foreign raw sugar, and of 3s. 4d. per cwt. on foreign refined sugar,—admitting all wheat, flour and sugar from British possessions free, the total duties then levied would amount to about £4,870,000. The revenue would, therefore, not be disturbed.*

Now, I have taken some pains to ascertain what would be the effect of such a redistribution as this upon an ordinary family of factory workers in Lancashire. I have obtained statistics from a number of families with incomes only sufficient to supply the necessaries of life. I find that their average weekly income is 31s. 8d. for a family of six persons, including father, mother, and four children averaging nine years of age. Of this 16s. 8d. is spent on food, and 15s. on other articles. Of the 16s. 8d., 4s. is spent on bread flour, and oatmeal; 5s. 9½d. on butter, milk, eggs, and cheese; 2s. 10d. on meat and fish; 1s. 2d. on sugar; 11d. on dried fruit; 10½d. on potatoes, vegetables, and fresh fruit; 8½d. on tea; and 4½d. on coffee and cocoa. The reduction which would be effected on the 8½d. spent in tea, by the adoption of my proposals, would alone compensate them for the duty on foreign wheat and flour. I cannot, at this late hour, trouble the House with details showing how each of these items would be affected by the changes I have proposed. It is enough to say that the figures prove that a fraction less than at present would be paid in the

* See Table No. 1, page 21.

aggregate by a household such as I have described ; and if we even admitted the wild theory that the price of home-grown and colonial wheat would be raised to the full extent of the duty on foreign,—and if we took the present duty on tea in its relation to the average price of all imported, ignoring the fact that it presses with exceptional severity on the cheaper qualities used by the poor,—the increase of cost to such a family would still not amount to a penny a-week.*

I must say, in passing, that I never was engaged in a more interesting task than the collection of these statistics. No one could have gone through those papers, in the handwriting of the working men themselves, without feeling the deepest sympathy with people in that condition, because of the minute economy which has to enter into their household arrangements. (Cheers.) I have been accused of disregarding the interests of people in this condition of life by advocating plans which would impose a burden upon them. It has been my good fortune to spend my life amongst them. I know their daily lives and habits of thought, perhaps as intimately as any hon. member of this House, and it would be an unpardonable crime in me to put forward any proposal which should trench even in the smallest degree on their little comforts and indulgences. If I did not believe, on the contrary, that the policy I advocate would have an almost immediate effect in enlarging the markets for their productions, in making those markets more secure, more steady, and more certain of expansion in future, I would never have devoted a single hour to the consideration and exposition of this question. The result of the changes I have described would be to leave the public revenue in exactly the same condition as at present ; and we may admit that the mere consumer, who has no interest in any of our industries, who merely eats, drinks, and wears, would not reap an advantage. But I hold that the vital interests of this country are best

* See Table No. 2, page 22.

promoted by maintaining the cause of the industrious producer and raising his condition, and not by making this the easiest country in the world for idle people to live in. (Cheers.)

The only other change I have to propose is the levying of a duty of ten per cent., *ad valorem*, on foreign manufactures introduced into this country. I have no wish to stretch the net too widely, or to embrace any doubtful article; I would exclude every article that might fairly be reckoned as only half manufactured. Such a duty would place in our hands a powerful instrument in any future commercial negotiations with such countries as France.* Taking the most restricted list of completely manufactured foreign articles, a ten per cent. duty would bring in an income of about £2,500,000, and I think this would be the most unobjectionable and acceptable way of providing a fund for the relief of local taxation.†

I know there is in the minds of many gentlemen a sort of holy horror of protection in any form,—a notion that it is a matter of which our hands are clean. But our hands are not clean. Protection has a place in our existing system. What is protection? It is the artificial shielding by law of some class of the community from the full and natural pressure of competition, internal or external. The Irish Land Act is a distinctly protective law, which has taken one selected class in Ireland, and completely shielded it from the pressure of competition—and that not the poorest, for the labourers were excluded. (Hear, hear.) The Radical Party, we cannot help daily observing, desire a wider application of such principles, and, whatever the inherent merits of their proposals, they are almost all of the nature of protection. It is, therefore, impossible for those gentlemen to object to my proposals on the ground that they are tinged with protection.

* I need scarcely say that I contemplate no negotiations except for an absolutely free interchange of manufactures.

† See Table No. 3, page 23.

Then, again, the Factory Acts, so far as they limit the freedom of contract in regard to hours of labour, are protective laws. On the 10th February, 1847, an important speech was made in this House on the proposal to reduce the hours of labour in factories from 69 to 63 per week; (they are now by law limited to $56\frac{1}{2}$). A gentleman of great authority, speaking against the proposal said—"For his part he regarded it as a question of as great importance as that [the repeal of the Corn Laws] which had been settled last year under the auspices of the Right Hon. Baronet (Sir R. Peel). That was a question of protection. In this case the protection was to raise wages at the expense of capital. It was precisely the same principle that was involved in both cases." Sir, those words were spoken by the right hon. gentleman the late Chancellor of the Duchy of Lancaster. It would, I think, be impossible to adduce better evidence in support of my statement, that our present system contains a decided element of protection, pure and simple, though it is unhappily so arranged as to favour the foreign, and to cripple the British, manufacturer.

It appears to me, as it always has appeared to me, grossly unjust to the British manufacturer to impose this restriction upon his freedom of contract without balancing it by an absolutely equivalent tax on foreign manufactured goods. There are some instances in which the cost of labour amounts to three-fourths the total cost of the goods; and can it be fair, or just, or expedient, to place a protective restriction upon the manufacturer in regard to his purchase of that labour which constitutes an important element of the cost of production, and thus to raise that cost artificially by law, whilst you allow French goods, made under no such humane restrictions, to enter your markets duty free, and to undermine your own industries? And here let me carefully guard myself against all possibi-

lity of misunderstanding. I am a hearty supporter of the Factory Acts: I do not believe that the increase of leisure which they have assured to the workers is more than the immense labour-saving power of modern machinery has fairly gained for them. I am convinced that the protection thus extended to them by law is not only humane, but on every ground expedient; but it is "protection" pure and simple. And since its object was clearly to comfort and elevate our factory population, and not to hand over their employment and livelihood to their competitors in France, who still choose to work 72 hours a-week,—it appears to me sheer madness to protect them against the presumed cupidity of British manufacturers, whilst leaving them totally unprotected against the actual cupidity of French manufacturers. There are, therefore, two alternatives in regard to this question, one of which you will be driven by the force of circumstances to adopt. You may either take away the whole fabric of the Factory Acts, and leave labour as well as materials open to free competition—if there be any gentleman in this House who would dare to propose such a course; or, if you cannot do that, you must lay upon the foreign manufactures brought into this country in competition with his own, a duty equivalent to the increased cost of production which you have by law imposed on the British manufacturer.

I believe the duty of 10 per cent. which I have proposed, would in most cases be that equivalent. It is said we should thereby increase the cost of articles of clothing to the people of this country. I, however, do not think so, because the unlimited amount of capital, enterprise, and internal competition in such a country as this would be quite sufficient to keep prices down to the very lowest remunerative level. Certainly no increase could take place in the cost of articles which form the great staples of the country; my hon. friend the member for Manchester (Mr. Slagg) will admit that even a 20 per cent.

import duty on foreign calicoes, could not raise the price of India shirtings a farthing a-piece in Lancashire. There are, however, articles of luxury brought into this great metropolis and other large centres of population—articles not used by the working classes, the farmers, or the small shopkeepers—which would form most legitimate objects of taxation. (Hear, hear.) I believe the result of the taxation of foreign manufactures would be that the cost of the clothing of the lower and lower-middle classes would not be increased, but that the articles of luxurious frippery and capricious fancy bought by the wealthy, would provide most of the $2\frac{1}{2}$ millions of revenue.

I will now briefly recapitulate some of the effects of a policy such as that I have proposed to the House. In the first place, it would give us an instrument for controlling foreign tariffs, and insisting on the absolutely free exchange of manufactures with countries like France, as the condition of any bargain we might make with them. If it did not afford us in this way free access to the markets of France and other countries, it would at least have the effect of reserving for our own industries the manufacture of those articles which we now import to so great an extent from them. In the next place, the duty of about 3s. 9d. a quarter on foreign wheat, would to some extent check the rapid decline of the wheat-growing industry in this country. As a manufacturer, depending not only on the export but on the home trade, I must confess that I look with great apprehension on the decline of that industry, and its effect on the labour market. If you are to allow the destruction of wheat-growing as an employment of land, and the substitution of meadow and pasture, you may depend upon it that for every 1,000 acres so changed, you will displace at least 30 families of agricultural labourers and handicraftsmen, and tradesmen dependent upon them. This population must either emigrate or be driven into your large towns, lowering the rate of wages and deepening the

misery of the poorer inhabitants. But then, again, you cannot thus deplete the rural districts of England and increase the town population of the country, without producing a very serious effect on the physical, and perhaps, moral stamina and soundness of the English people. (Hear, hear.)

Another effect of this policy would be, to divert the strength of our capital and enterprise from the United States and other highly protective countries to our colonies and India. It would give the needful initial impulse to the fuller development of Indian agriculture, roads, and railways, and would thus relieve the exchange and promote the welfare, security, and contentment of the people of India. In one word, it would give India a vastly increased market for her food products in England, and England an equally increased market for her manufactures in India. Again, it would provide a large fund for the relief of local taxation, which is bearing so heavily on our already overburdened rural and artisan population. Above all, it would consolidate and strengthen the Empire (hear, hear), and lay deep and secure the foundations of its permanent unity. It would inspire new hope and enthusiasm in the hearts of those whose all, whether of property or of labour, is linked fast to the fortunes of England. Sir, no one can fail to observe, and observing, to lament, the loss of their former high spirit and confident hopefulness, nay, the growth of a sentiment of despondency, in the minds of a large proportion of those who conduct our great industries, both agricultural and manufacturing. That this should be the case in the country which possesses the greatest capital, allied to the greatest skill and experience in the world, and which at the same time owns undeveloped territories unrivalled for extent and for variety of resources, certainly argues some serious and deep-seated error of policy. (Hear, hear.)

The test of a sounder policy must be that it shall restore to our great industries that elastic spirit of hope and enter-

prize which is founded on confidence in the security and future extension of the arena that lies free and open before them. As one of our greatest poets has truly said—

“Hope rules a land for ever green;
 All powers that serve the bright-eyed Queen
 Are confident and gay:
 Clouds at her bidding disappear,
 Points she to aught?—the bliss draws near—
 And fortune smooths the way.”

Sir, I am firmly convinced that the policy I have endeavoured to sketch this evening would give to our native industries an impulse of well-founded hope,—and that it would confer upon the nation not only economical but political and social benefits. Of these latter we have indeed some slight foretaste;—for these ideas have already penetrated the minds of vast numbers of working men, and have been discussed in thousands of their homes and workshops. And wherever they have entered they have carried a more vivid impression of the extent, resources, and capabilities of our own Empire, and of the unspeakable importance of maintaining its unity—which is its strength. They have taught working men that the prosperity of the owners of land and other fixed property in these islands is an inseparable accompaniment of the prosperity and growth of our industries: that if rents decline it is because profits have already declined,—and that, if this state of things continue, wages must inevitably follow suit. Those who have learnt these wholesome truths are for ever delivered from the influence of the demagogues who set class against class. They harbour no unfriendly feeling towards any class; but if they see injustice, or danger to their own interests, in the position of any, it is in that of owners or mortgagees of foreign lands, factories, and other property, resident here, and competing severely with our farmers and manufacturers, and consequently with our working men,—but not contributing one-tenth part of their fair share towards the

necessities provided for by a system of local taxation which is overweighting the farmer, the manufacturer, and the workman in his cottage.

But, Sir, this movement has done yet more for those who have come under its influence; it has quickened and deepened their loyal attachment to their Sovereign, and to those long-tried institutions under which this country grew great and famous and acquired her wide dominions. Perhaps, in doing this, it has made some of them Conservatives. Who can tell? I will not pretend to say. But I rejoice, and shall ever rejoice, to have been in any degree connected with it, because I believe its future success to be needful for the industrial well-being of the people,—and, still more, because I am sure its effect, so far as it has gone, has been to knit together all classes, and to hold out a prospect of the increase of that sympathy and good understanding between them, the absence of which in any country must always constitute a grave national danger. (Cheers.)

Sir, I beg to move “That, in view of the growing injury inflicted upon our industries by foreign tariffs, and the consequent importance of more rapidly developing the resources of India and the Colonies, it is expedient to free ourselves as early as possible from the restraints of commercial treaties; to abolish duties upon tea, coffee, cocoa, and dried fruits imported from British possessions; to levy specific duties (in no case equal to more than ten per cent. upon ordinary average values) upon the like articles, as well as upon wheat, flour, and sugar imported from foreign countries; and also to impose an import duty upon foreign manufactures, with the notification that it should cease to operate, as against each nation, from the day on which such nation should admit British manufactures duty free.”

TABLE showing the effect of the proposed changes upon the Revenue (based on Official Returns for 1881.)

Articles.	From whence Imported.	Quantities taken for Home Consumption.	Present Rates of Import Duty.	Present Revenue obtained.	Proposed Rates of Import Duty.	Revenue they would yield.
Tea ..	Foreign Countries	116,964,915 lbs.	6d. per lb.	£2,924,123	One penny per lb.	£487,354
" Coffee ..	British Possessions	43,260,996 lbs.	6d. per lb.	1,081,525	Free	
" ..	Foreign Countries	152,584 cwt.	14s. per cwt.	106,809	Three farthings per lb.	53,404
" ..	British Possessions	132,621 cwt.	14s. per cwt.	92,384	Free	
" Cocoa ..	Foreign Countries	4,925,803 lbs.	1d. per lb.	20,528	Three farthings per lb.	15,396
" ..	British Possessions	5,971,992 lbs.	1d. per lb.	24,883	Free	
" Chocolate ..	Foreign Countries	811,075 lbs.	2d. per lb.	6,759	1½d. per lb.	5,069
" Chicory ..	Foreign Countries	111,126 cwt.	13s. 3d. per cwt.	73,621	Three farthings per lb.	38,894
" Chicory, Roasted, &c..	Foreign Countries	98,682 lbs.	2d. per lb.	822	1½d. per lb.	617
" Dried Fruits ..	British Possessions	221,714 lbs.	2d. per lb.	1,848	Free	
" ..	Foreign Countries	1,477,178 cwt.	7s. per cwt.	517,012	2s. 4d. per cwt.	172,337
" ..	British Possessions	—	7s. per cwt.	—	Free	
" Wheat ..	Foreign Countries	43,756,517 cwt.	Free	—	10d. per cwt.	1,823,188
" ..	British Possessions	12,922,910 cwt.	Free	—	Free	
" ..	Foreign Countries	10,728,326 cwt.	Free	—	1s. 3d. per cwt.	670,520
" ..	British Possessions	529,099 cwt.	Free	—	Free	
" Sugar, Unrefined ..	Foreign Countries	13,984,429 cwt.	Free	—	1s. 8d. per cwt.	1,165,369
" ..	British Possessions	4,391,956 cwt.	Free	—	Free	
" Sugar, Refined ..	Foreign Countries	2,633,205 cwt.	Free	—	3s. 4d. per cwt.	438,867
				£4,850,314		£4,871,015

NOTE.—The quantities of Chocolate and of Dried Fruits at present imported from British Possessions are too trifling to be worthy of notice; it is, of course, intended that they should be free of duty.

The present heavy duty of 6d. per lb. on Tea is a specially unjust one, because it probably amounts to 70 per cent. on the cheaper qualities used by the poor, and only to 30 or 35 per cent. on the finer qualities used by the rich.

No. 2.—TABLE showing the effect of the proposed alterations of Duties upon the Weekly and Annual Expenditure of a family of Factory Workers, consisting of 6 persons, viz., a man and wife, and 4 children of the average age of 9 years, and having an income of 31s. 8d. per week to live upon. (a)

	(b)			(c)			(d)								
Items of Expenditure.	Weekly Expenditure.			Annual Expenditure.			Of which caused by present Duties.			Instead of which, proposed Duties, on Foreign Produce only, would make			Or, even supposing duties on Foreign produce to raise prices of Home and Colonial by their full amount, would still make only		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Bread, Flour, and Oatmeal ..	0	4	0 ⁵ / ₈	10	11	4	—	—	—	0	7	5 ¹ / ₄	0	14	10 ¹ / ₂
Sugar (suppose unrefined) ..	0	1	2	3	0	10	—	—	—	0	3	4 ³ / ₄	0	4	4 ¹ / ₂
Dried Fruits (imported) ..	0	0	10 ³ / ₄	2	6	8 ¹ / ₂	0	8	7 ¹ / ₂	0	3	2	0	3	2
Tea ..	0	0	8 ¹ / ₂	1	16	11	0	11	9 ³ / ₄	0	1	10 ¹ / ₄	0	2	8
Coffee and Cocoa..	0	0	4 ¹ / ₄	0	18	5 ¹ / ₂	0	2	10	0	0	9	0	1	5
Milk, Butter, Eggs and Cheese ..	0	5	9 ³ / ₄	15	3	1	—	—	—	—	—	—	—	—	—
Meat and Fish ..	0	2	10	7	7	9	—	—	—	—	—	—	—	—	—
Potatoes, Vegetables and Fruit..	0	0	10 ⁵ / ₈	2	6	2	—	—	—	—	—	—	—	—	—
Expenditure otherwise than on Food ..	0	14	11 ¹ / ₂	38	19	11	—	—	—	—	—	—	—	—	—
	£1	11	8	£82	11	8	£1	3	3 ¹ / ₄	0	16	7 ¹ / ₄	£1	6	6
							or nearly 5 ³ / ₈ d. per week			or less than 3 ⁷ / ₈ d. per week			or less than 6 ¹ / ₈ d. per week		

(a) The proportions of the items of expenditure are obtained from an average of returns kindly furnished by a number of working men, who have kept an exact account of the way in which their money was laid out. No cases have been taken in which the income was more than sufficient to provide the necessaries of healthful life.

(b) Based upon the assumption that the profits of distribution are throughout charged upon import duties, as well as upon first cost of produce. The same principle is adhered to in the calculation for columns (c) and (d).

(c) In this column it is assumed that if (for example) half our consumption of wheat were foreign, subject to a duty of 10d. per cwt.,—and the other half home-grown or colonial, free from duty,—the effect would be to raise the price in this country 5d. per cwt.; the home-grower *gaining*, and the foreign-grower *losing*, respectively, half the amount of the duty imposed against the latter.

(d) This column of figures is given for the purpose of showing how insignificant would be the increased cost to a working-class family, even upon the incredible supposition that a duty of 10d. per cwt. on foreign wheat would raise the price of home-grown and colonial wheat 10d. per cwt., and that no part of the duty would be borne by the foreign grower.

It is interesting to observe how small is the pressure of these import duties, whether in the present or proposed form, upon such a family. And if it were possible to admit that the duty on foreign manufactures could produce any fractional enhancement of the cost of clothing, it would be more than refunded by the relief from local taxation.

No. 3.

Value of certain Manufactures (Foreign only), imported in 1881,
after deducting re-exports.

	£
Arms and Ammunition	231,448
Buttons, Studs, and Beads	506,546
Brass, Bronze, and Metal bronzed, manufactures of	53,803
Copper, Tin, Lead, and other Metal do.	190,554
Caoutchouc and Gutta-Percha do.	102,608
Iron, manufactures of	1,637,968
Zinc, do.	372,869
China, Porcelain, and Earthenware	480,735
Glass, manufactures of	1,462,742
Clocks and Watches	853,195
Confectionery	430,632
Cork, manufactured	359,928
Cotton Goods	1,934,350
Lace, Embroidery and Needlework	534,828
Artificial Flowers	493,608
Hats and Bonnets	117,339
Leather, manufactured	2,039,971
Linen Goods	204,280
Musical Instruments	577,814
Paper and Stationery	1,176,381
Perfumery	48,770
Silk Goods	11,463,571
Skins, Furs, and Pelts, manufactured	214,231
Toys	465,493
Woollen Goods	5,574,208
Wood Manufactures, House-Frames, &c.	190,677

£31,718,549

Deduct for early decrease by substitution of

Home Manufactures 6,718,549

Nett taxable amount £25,000,000

A 10 per cent. duty on which would produce

a revenue of £2,500,000

Available for the relief of local taxation.

Books, Pictures, Engravings, and many other articles have been omitted from the above category. Imported goods to a very large amount, classed in the returns of Trade and Navigation as "Unenumerated," have been also entirely disregarded, though no doubt embracing many articles which ought to be included in the taxable list.







